

Lycopodium

Investor Presentation

1H FY2025

19 February 2025

About Lycopodium



ARTC rail network, Australia

Lycopodium is a dynamic leading global engineering and project delivery company involved in all phases of projects from evaluation, delivery and optimisation across the resources, industrial processes/energy and rail infrastructure sectors around the world



Managem's Boto Gold Project, in construction in Senegal

Half Year Results

Revenue	\$167.4m
EBITDA	\$39.5m
PBT	\$35.8m
NPAT	\$25.2m
NPAT %	15.1%
Cash at Bank	\$77.1m
Return on Equity	19.3%
EPS	63.5c
Half Year Dividend	10c

- Revenue predominantly driven from EPCM projects, reflecting a change from preceding years where EPC projects provided supplementary revenue beyond our direct services
- NPAT % well above target of +10%
- Cash at Bank strong – SAXUM majority acquisition funded from cash reserves, avoiding raising debt or a dilution of shareholders from an equity raising
- Half Year Dividend reflects purchase of SAXUM from cash reserves
- Half Year Dividend of 10 cents per share
- Normalised Dividend – 10 cents payable + 28 cents allocated to SAXUM acquisition = 38 cents per share on a normalised basis

FY2025 Full Year Guidance

Revenue ~\$320m to \$340m

NPAT ~\$37m to \$43m

Sustained Growth

Committed order book	\$456m
Managed capex of current projects in delivery	\$4.1b
Target NPAT %	+10%
Order book opportunity pipeline	~\$1b
Capex of studies leading to high likelihood projects	\$10b
Addressable market has increased by	40%


Lycopodium's sustained growth is underpinned by the long-term client partnerships we have cultivated over the past 30 years, and our strategic commitment to prioritise high-quality work over high-risk work

SAXUM Acquisition

- Entered into a Heads of Agreement to acquire a majority interest in Argentinian headquartered engineering company, SAXUM, in October 2024
- February 2025, acquired 60% of the issued ordinary shares in SAXUM for a total cash consideration of A\$11.3 million (US\$7.1m), with options over the remaining share capital in subsequent years (25% on the fifth anniversary of the completion date and 15% on the seventh anniversary of the completion date)
- Acquisition funded from cash reserves
- SAXUM forecast to add approximately A\$2 million per annum to NPAT from FY2026
- The SAXUM brand will be retained and the company will continue to be managed by the incumbent leadership team
- The acquisition positions both companies for further expansion and success in key markets

About SAXUM

- Multi-disciplinary engineering and project management services company, founded in 1996
- Provides services to the Mineral Processing, Cement & Lime, Manufacturing & Infrastructure and Oil & Gas sectors
- Consists of four companies which are established in Argentina, Brazil, USA and Australia, operating from five offices around the globe – Tucumán and Buenos Aires, Argentina; Irving, Texas; Belo Horizonte, Brazil; and Perth, Western Australia
- Culturally aligned, technically led, client focused and value centric business



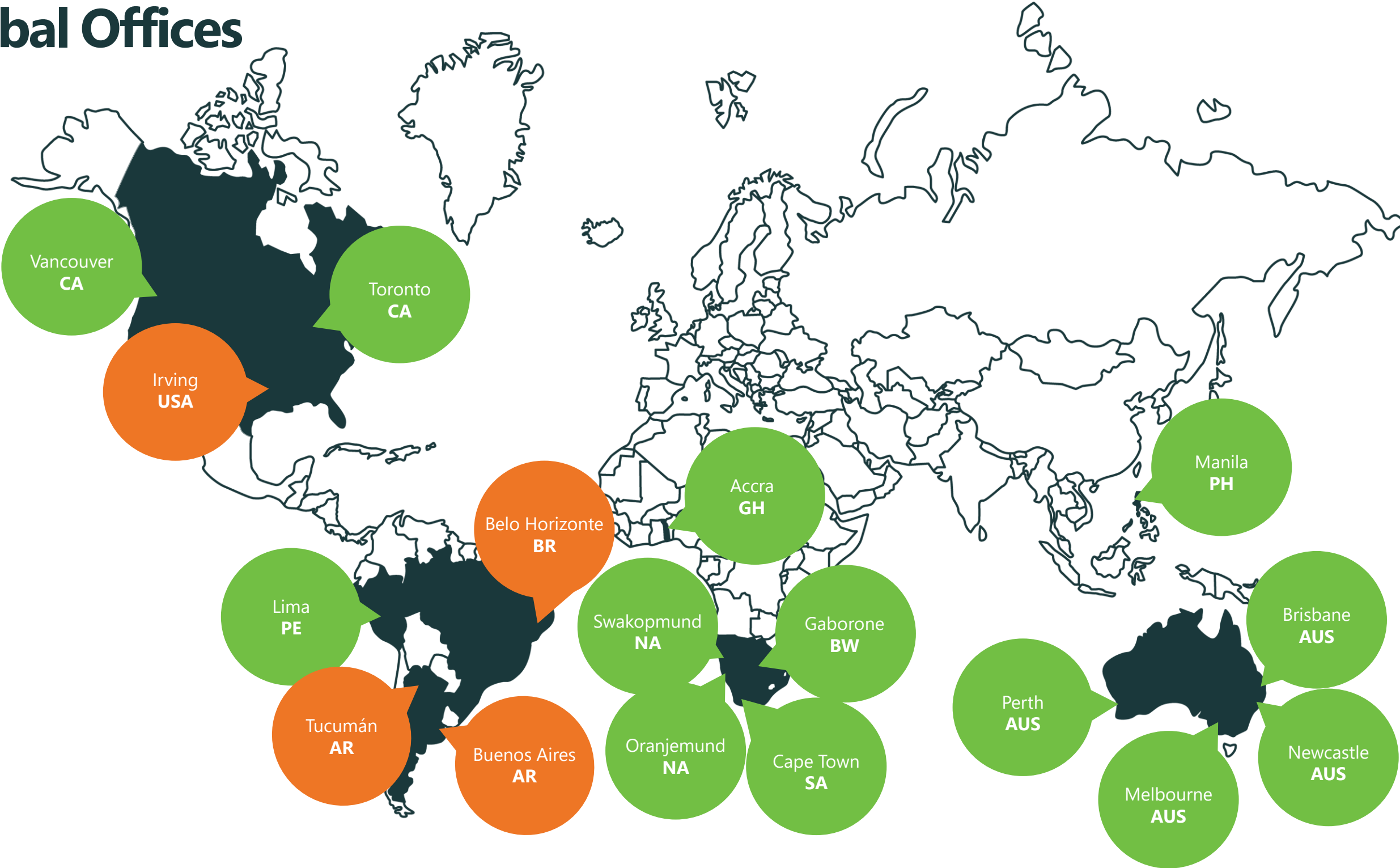
Supports key strategic initiative to further geographically expand our global presence in the Americas

Acquisition further enhances our capabilities, expands our service offering and positions us more competitively in the global market

Holding no debt and with consistent revenue growth and strong profit margins, SAXUM will contribute immediately to Lycopodium's revenue and profitability

Appropriately sized business for us to establish a material footprint in Latin America to complement our Lima office as well as supporting our ingress into the US market

Our Global Offices



1H FY2025 Highlights



Strong operational performance

- 1,400+ staff globally
- 80+ resource studies and projects in delivery around the world
- Value of capital projects currently in delivery ~A\$4.1b
- 16.8 million controlled workhours for the rolling 12 months to January 2025
- Lost Time Injury Frequency Rate (LTIFR) = 0.00
- Total Recordable Injury Frequency Rate (TRIFR) = 0.95



Market growth through geographic expansion

- SAXUM acquisition completed 17 February 2025 – supports ingress into US market and facilitates further penetration into Latin America
- Personnel in Lima office (established December 2023) grown three-fold in first year of operation
- Establishing presence in Vancouver to service Canadian west-coast based clients
- Access to full Americas (north and south) market will increase total addressable market by over 40%



Foundation set for operational excellence

- Consistency in systems and processes across global operations – Enterprise Resource Planning (ERP) system rollout progressing to plan, enabling a multitude of business processes to be tied together
- Global expansion of key Learning & Development initiatives to support individual growth and enhance retention
- Implementation of globally aligned 'visible career pathways' to support career development – cultivating Lycopods for life

Strategic Pillars

Working Smarter – Tools, Systems and Data

Leverage the new ERP, other systems and processes for visibility, insights, efficiency, consistency, optimisation and standardisation

People and Culture

Continue to focus on ensuring we have the right people, with the required skills and experience that reinforce our strong culture

Sustainably Grow Core Markets

Focus on maintaining market position, developing client relationships, sustaining current growth for core clients and services whilst also monitoring new technologies and markets

Deliver Client / Project Excellence

Enhance technical capability and accountability, foster innovation, monitor technologies, and prioritise high-quality work over high-risk work



Market Segments

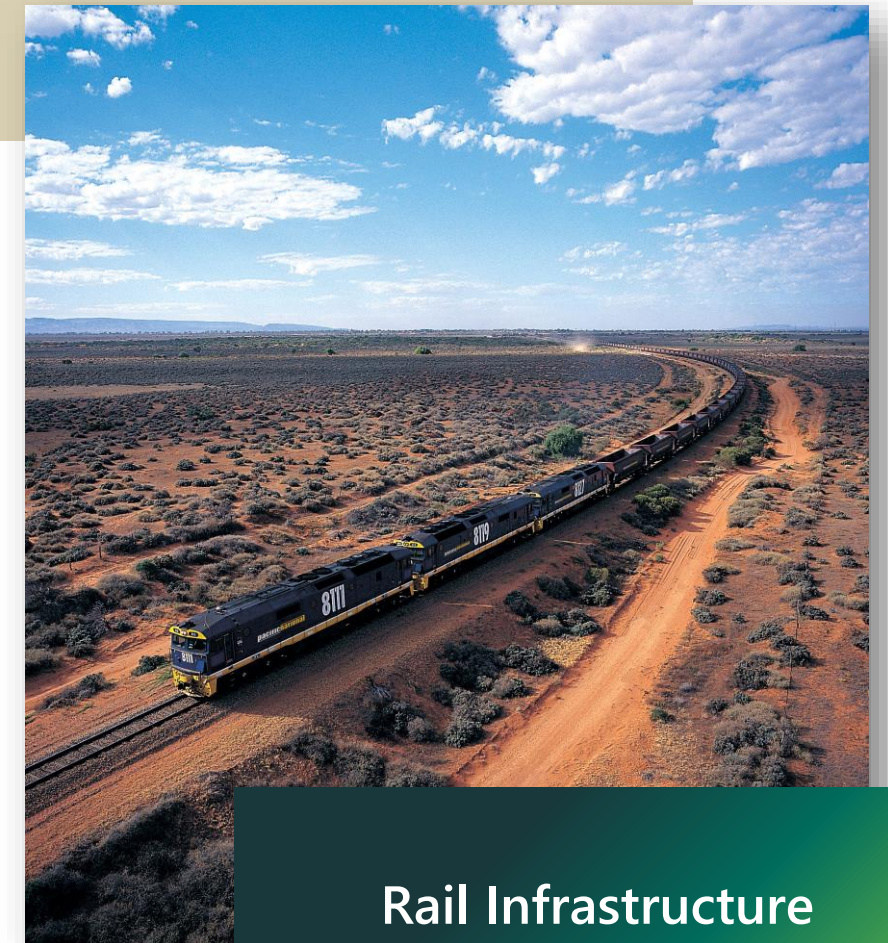
Our Market Segments



Resources



Industrial Processes



Rail Infrastructure

Resources

Cu

Recently completed

- Motheo – Botswana (Sandfire)
- Batu Hijau – Indonesia (PT Amman)

In delivery

- Yanqul – Oman (Mazoon Mining)

Horizon

- Winu – Western Australia (Rio Tinto)
- Taca Taca – Argentina (First Quantum)

Au

Recently completed

- Sabodala- Massawa – Senegal (Endeavour)
- Lafigué – Côte d'Ivoire (Endeavour)

In delivery

- Ahafo North – Ghana (Newmont)
- Kiaka – Burkina Faso (West African Resources)
- Bomboré Hard Rock – Burkina Faso (Orezone)
- Boto – Senegal (Managem)
- Koné – Côte d'Ivoire (Montage Gold)
- Goose Project – Canada (B2 Gold)

Horizon

- Baomahun – Sierra Leone (FG Gold)
- Twin Hills – Namibia (Osino Resources)
- Nyanzaga – Tanzania (Perseus)
- Tulu Kapi – Ethiopia (Kefi Minerals)
- Blackwater Expansion – Canada (Artemis Gold)

Li and others

Recently completed

- Kathleen Valley (Li) – Western Australia (Liontown)
- Goulamina (Li) – Mali (Leo Lithium)
- Langer Heinrich (U) – Namibia (Paladin)
- Mutamba Mineral Sands (Mineral Sands) – Mozambique (Rio Tinto)

In delivery

- CGP3 (Li) – Western Australia (Talison)
- Highbury Lithium (Li) – South Africa (SA Lithium)
- Footprint Reduction Project (Pt) – South Africa (Anglo American Platinum)
- CLAHDO (Iron Ore) – Western Australia (Rio Tinto)

Horizon

- Toliara (Mineral Sands) – Madagascar (Base Resources)
- Highbury Lithium Expansion Project (Li) – South Africa (SA Lithium)
- CGP4 (Li) – Western Australia (Talison)

Industrial Processes

Energy

Our Process Industries business is instrumental in many of our Energy related initiatives, including in hydrogen, battery minerals, battery recycling and waste to energy technologies

Key projects

- Yarra Valley Water Bioenergy Plant – Victoria (Delorean)
- Green Hydrogen to Energy Project – Queensland (JGC)
- Mid-Stream Demonstration Plant Project – Western Australia (Pilbara Minerals)
- Battery minerals client commission - Australia (client name withheld)

Pharma & Biotech

We have been servicing the pharmaceutical and biotechnology industries since 1964 and have developed enduring relationships with leading pharmaceutical companies, delivering projects for both greenfield and brownfield sites, including managing upgrade works in operational facilities

Key clients

- CSL Behring
- MSD (Merck Sharp & Dohme)
- CSL Seqirus
- GSK (now Sun Pharmaceuticals)
- Pfizer Australia
- Perrigo (Orion Labs)

Food & Beverage

We understand the clean facility design and process controls required to safely produce some of the most popular and iconic foods and beverages on the Australian market

Key clients

- Cauldron
- Yakult
- TetraPak
- Sunshine Sugar
- Gage Roads Brewery
- Murray Goulburn
- Lamb Weston

Rail Infrastructure

D&E

We provide design services throughout all stages of a rail project lifecycle, from feasibility and concept to detailed design – our team is recognised as one of the premier rail design partners in Australia, ensuring designs that are constructible and fit-for-purpose

Key projects

- Level crossing compliance assessments and upgrade designs to improve safety at rural locations across the interstate rail network – currently delivering design services in New South Wales, Victoria and South Australia (ARTC)
- Inland Rail, Concept of Operations & Concept of Maintenance – Victoria, New South Wales and Queensland (Inland Rail)
- Inland Rail, Illabo to Stockinbingal, Detailed Track Design services – New South Wales (BG&E)

RIM

We have developed our own Inspection and Assessment Manual (IAM), containing the inspection and assessment procedures, initial risk assessment/prioritisation of defects, maintenance intervention limits and response requirements for rail infrastructure

Key projects

- Currently contracted to deliver visual asset inspections of structures across the interstate network (North-South Corridor package) to determine condition and recommend remedial actions – New South Wales and Queensland (ARTC)
- Delivering rail infrastructure inspections Australia-wide at all Pacific National rail terminals, services also include delivering engineering and system enhancements – Australia (Pacific National)
- Delivering rail infrastructure inspections and maintenance management for heavy haul private rail owners including BHP in the Hunter Valley in support of rail haulage volumes up to 20 million tonne annually (BHP)

Outlook

Market Outlook

- Strong long-term demand outlook for minerals and metals relevant to the ongoing energy transition will continue to attract capital to build global supply
- The Latin American market is poised to support this global demand for critical minerals, including copper, lithium, nickel and rare earths
- Demand for gold remains high, with strong gold price supporting project financing for greenfield projects
- Demand for innovative engineering and delivery solutions continues to grow – opportunity to leverage our modular and bespoke engineering capabilities
- Australia's railway construction and maintenance activity outlook is strong, supported by a number of significant publicly funded projects
- Domestic manufacturing continues to present opportunities for the Industrial Processes sector, as does emerging markets in support of the energy transition
- Transformation of the global energy sector from fossil-based to zero-carbon sources represents a period of innovation and opportunity in the development of new systems that can operate on low carbon energy sources, whilst maximising waste recovery and reuse

Lycopodium's expertise will remain sought after given the macro environment and other drivers



Liontown Resources' Kathleen Valley Lithium Operation, Western Australia

Investing in Lycopodium

An innovative and value-driven process, engineering and project delivery organisation

Long-standing client relationships

Shared journeys and deep trust built over more than 30 years – many of the T1s we work with today started out as juniors

The engineer of choice

66% of current revenue from repeat clients

The best people

Long-serving teams of high calibre people

Strong cultural alignment

Employee engagement score 3% higher than the global All-Industries average

Looking to the future

Working with clients and industry to support the world's decarbonisation journey to net zero, including participation in world-leading Research & Development projects

Growing opportunities in new geographies and strong foothold in established jurisdictions

Strong growth markets

Continued penetration into the Americas expands our total addressable market by +40%

A trusted partner in established markets

Proven track-record of delivery in Africa, Australia and Southeast Asia, in isolated and logistically challenging locations

Expertise across all key commodities

Gold, copper, lithium, critical minerals, diamonds/gems, iron ore, uranium, rare earths and mineral sands

Balanced project delivery portfolio

Sustainable mix of contracting models

Delivering sustained financial performance and shareholder value year-on-year

Sustained Revenue

Revenue sustained in FY2025, following strong revenue growth years

Strong NPAT

1H FY2025 NPAT well above 10% target (consistently achieved over consecutive financial years)

Earnings per Share

1H FY2025 EPS remains robust (63.5c)

Dividend Payout

Consistently paid dividends to shareholders, year-on-year



Thank You

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